

## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

### **MINING OPERATIONS SCHEDULED TO BEGIN THIS WEEK AT CAPITAL GOLD'S EL CHANATE**

#### **Drilling program designed to increase reserves on schedule**

NEW YORK, March 13, 2007 - Capital Gold Corporation (TSX:CGC;OTC/BB:CGLD) said today that mining operations will begin this week at the company's El Chanate gold mining project, located in Sonora, Mexico.

Gifford Dieterle, Capital Gold's Chairman, said, "The process of stacking crushed ore on the leach pads will begin this week. We have been stacking screened ore on the pads for several weeks for use as overliner material, but now that we are ready to commence stacking crushed ore, the production process has truly begun."

John Brownlie, Capital Gold's Chief Operating Officer, said his production team will be stacking crushed ore for several weeks before they start applying the cyanide solution. "Once the solution application begins, we are probably anywhere from 45 to 75 days away from the beginning of actual gold production at El Chanate," he said. The El Chanate mine construction is nearly complete. Both the electrical system and the crushing system have been hot commissioned. The only material remaining system, the ADR plant (which extracts the gold from the cyanide solution), should be completed in April. Gold production will follow shortly thereafter. The project continues to stay within budget.

Meanwhile, an aggressive drilling program, designed with the intent of bringing additional gold ounces into the reserve totals, is moving along at a rapid pace. To date, 33 holes have been drilled, totaling 4,650 meters. The average depth has been 141 meters. Already 3,050 samples have been collected. Assay results should start coming in later this month.

"We started drilling in the area south of the 'East Pit' and we have drilled between the two planned pits, and around the south side of the main planned pit. Drilling has focused on areas close to the pit limits, outside the reserve blocks. Drilling along the south side of the pit has shown mineralization that may extend further south, especially on the southwest side of the pit. Drilling on the west side of the pit also looks promising. Nine additional holes have been added to the program, bringing the new total to 60 holes," Brownlie added. The remaining holes left to be drilled will be exploration holes concentrated on the eastern extremities of the known ore body. The drilling program is expected to be concluded in early April.

## About Capital Gold

Capital Gold Corp. (CGLD) is a gold exploration and development company. CGLD, through its Mexican subsidiaries, owns 100% of the El Chanate gold property in Sonora, Mexico. During August 2006 CGLD completed debt financing for the construction of the Chanate Mine. Engineering Procurement and Construction Management activities commenced June 1, 2006. Other construction activities have been underway at the mine site since early this year and we anticipate gold production will begin in early 2007. Further information about Capital Gold and the El Chanate Gold Mine, along with current photographs, are available on the Company's website, [www.capitalgoldcorp.com](http://www.capitalgoldcorp.com).

###

Statements in this press release, other than statements of historical information, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. Actual performance and results may differ materially from those projected or suggested due to certain risks and uncertainties, some of which are described below. Such forward-looking statements include comments regarding the establishment and estimates of mineral reserves and non-reserve mineralized material, future increases in mineral reserves, the recovery of any mineral reserves, construction cost estimates, construction completion dates, equipment requirements and costs, production, production commencement dates, grade, processing capacity, potential mine life, results of feasibility studies, development, costs and expenditures. Factors that could cause actual results to differ materially include timing of and unexpected events during construction, expansion and start-up; variations in ore grade, tons mined, crushed or milled; delay or failure to receive board or government approvals; timing and availability of external financing on acceptable terms for equipment, construction, working capital and other purposes; the availability of adequate power and water supplies; the availability of adequate mining equipment; technical, permitting, mining or processing issues, and fluctuations in gold price and costs. There can be no assurance that future developments affecting the Company will be those anticipated by management.

The forecasts contained in this press release constitute management's current estimates, as of the date of this press release, with respect to the matters covered thereby. We expect that these estimates will change as new information is received and that actual results will vary from these estimates, possibly by material amounts. While we may elect to update these estimates at any time, we do not undertake to update any estimate at any particular time or in response to any particular event. Investors and others should not assume that any forecasts in this press release represent management's estimate as of any date other than the date of this press release. Additional information concerning certain risks and uncertainties that could cause actual, results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission (SEC) over the past 12 months, copies of which are available from the SEC or may be obtained upon request from the Company.

## **Contact:**

**Jeff Pritchard, VP-Corporate Relations**

Capital Gold Corporation

Tel: (212) 344-2785

Fax: (212) 344-4537

Email: [investorrelations@capitalgoldcorp.com](mailto:investorrelations@capitalgoldcorp.com)

## **Media Inquiries:**

**Victor Webb/Madlene Olson**

**Marston Webb International**

Tel: (212) 684-6601

Fax: (212) 725-4709

Email: [marwebint@cs.com](mailto:marwebint@cs.com)